

Indiana Economic Development Corporation

Economic Incentives and Compliance Report For The Reporting Period July 1, 2007 - December 31, 2007

Pursuant to Indiana Code (I.C.) 5-28-28, the Indiana Economic Development Corporation ("IEDC") is required to provide a report to the Governor and the Legislative Council regarding the compliance of recipients of state economic development incentives. As provided for in I.C. 5-28-28-1 and 5-28-28-5, the following report is limited to economic development incentives applied for and awarded during the period beginning July 1, 2007 and ending December 31, 2007. The following programs are covered in this report:

- Industrial Development Loan Fund
- Business Development Loan Fund
- Industrial Development Project Guaranty Fund
- Economic Development for a Growing Economy Tax Credit
- Hoosier Business Investment Tax Credit
- Capital Investment Tax Credit
- Biodiesel Production Tax Credit
- Blended Biodiesel Production Tax Credit
- Ethanol Production Tax Credit
- Headquarters Relocation Tax Credit
- Enterprise Zone Loan Interest Credit
- Skills Enhancement Fund
- Indiana Specific Insurance Related Education
- Industrial Development Grant Fund
- Economic Development Fund
- Technology Enhancement Certification for Hoosiers Fund
- Technology Development Grant Fund
- South Central Indiana Regional Partnership Fund
- Indiana Twenty-First Century Research and Technology Fund
- Small Business Innovation Research and Small Business Technology Transfer Match Programs

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Loan Programs

Program: Industrial Development Loan Fund (IC 5-28-9)

Purpose: The Industrial Development Loan Fund provides loans to a city, a town, an economic development commission, or a special taxing district undertaking an industrial development program. An industrial development program is defined as a program designed to aid the growth of industry in Indiana and includes the construction of airports, airport facilities, and tourist attractions; construction, extension, or completion of sewer lines, water lines, streets, sidewalks, bridges, roads, highways, public ways, and information and high technology infrastructure; leasing or purchase of property, both real and personal; and the preparation of surveys, plans, and specifications for the construction of publicly owned and operated facilities, utilities, and services.

Detail: There were no industrial development loans applied for and awarded during the reporting period.

Program: Business Development Loan Fund (IC 5-28-32)

Purpose: The Business Development Loan Fund is a revolving fund used to provide a borrower a direct loan as an incentive for an economic development project. The proposed project must do any of the following: improve the technological capacity or productivity of the business; enhance the protection of Indiana's environment; or permit the business to expand facilities, establish new facilities, or make site improvements or infrastructure improvements.

Detail: There were no business development loans applied for and awarded during the reporting period.

Program: Industrial Development Project Guaranty Fund (IC 5-28-30)

Purpose: The Industrial Development Project Guaranty Fund is a non-lapsing, revolving fund used to provide a bank a guarantee for a loan secured by real property or personal property to or for the benefit of an industrial development project or agricultural operation that involves the processing of agricultural products.

Detail: There were no loan guarantees applied for and awarded during the reporting period.

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Tax Credit Programs

Program: Economic Development For A Growing Economy (IC 6-3.1-13)

Purpose: The Economic Development for a Growing Economy ("EDGE") tax credit program provides a tax credit to companies creating net new jobs in Indiana. EDGE awards are calculated based on the number of jobs being created and the wages associated with those jobs. EDGE awards are made over a period of up to ten years, and companies must annually certify to IEDC their net new Indiana payroll in order to claim the credit.

Detail: Pursuant to the terms of the EDGE agreement, the first progress reports for the companies covered during this reporting period were not yet due as of the time of the submission of this report.

Nestle Waters North America Holdings, Inc.	Tax Credit Amount:	\$575,000.00
900 Commerce Parkway West Dr.	Employees To Be Hired:	64
Greenwood		
46142		

T2 Systems, Inc.	Tax Credit Amount:	\$540,000.00
7835 Woodland Drive	Employees To Be Hired:	92
Indianapolis	Employees To Be Retained:	43
46278		

Subtotal:	<hr/>	\$1,115,000.00
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Program: Hoosier Business Investment Tax Credit (IC 6-3.1-26)

Purpose: The Hoosier Business Investment Tax Credit ("HBITC") provides a tax credit to companies making significant new capital investment in Indiana. The credit amount is equal to a percentage (up to 10%) of a company's eligible capital investment in Indiana. The HBITC award may be carried forward for a period of up to nine years. Investments must be approved in advance by the IEDC in order to be eligible for the credit.

Detail: Pursuant to the terms of the HBITC agreement, the first progress reports for the companies covered during this reporting period were not yet due as of the time of the submission of this report.

Nestle Waters North America Holdings, Inc.	Tax Credit Amount:	\$275,000.00
900 Commerce Parkway West Dr.	Employees to Be Hired:	64
Greenwood		
46142		

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Program:	Capital Investment Tax Credit (IC 6-3.1-13.5)
Purpose:	The Capital Investment Tax Credit provides a 25% tax credit for investment in equipment, machinery, facilities, buildings, or foundations that are installed or used for a project having an estimated total cost of at least seventy-five million dollars (\$75,000,000) and in a county having a population of more than forty-three thousand (43,000) but less than forty-five thousand (45,000).
Detail:	There were no capital investment tax credits applied for and awarded during the reporting period.
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Program:	Biodiesel Production Tax Credit (IC 6-3.1-27-8)
Purpose:	The Biodiesel Production Tax Credit provides a tax incentive to support the development of Indiana's biodiesel industry. In order to qualify for the credit, companies must be approved in advance by the IEDC. The credit amount is equal to \$1.00 per gallon of biodiesel fuel produced.
Detail:	There were no biodiesel tax credits applied for and awarded during the reporting period.
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Program:	Blended Biodiesel Tax Credit (IC 6-3.1-27-9)
Purpose:	The Blended Biodiesel Production Tax Credit provides a tax incentive to support the development of Indiana's blended biodiesel industry. In order to qualify for the credit, companies must be approved in advance by the IEDC. The credit amount is equal to \$0.02 per gallon of blended biodiesel produced.
Detail:	There were no blended biodiesel tax credits applied for and awarded during the reporting period.
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Program:	Ethanol Production Tax Credit (IC 6-3.1-28)
Purpose:	The Ethanol Production Tax Credit provides a tax incentive to support the development of Indiana's ethanol industry. In order to qualify for the credit, companies must be approved in advance by the IEDC. The credit amount is equal to \$0.125 per gallon of ethanol produced.
Detail:	There were no ethanol tax credits applied for and awarded during the reporting period.
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Program:	Headquarters Relocation Tax Credit (IC 6-3.1-30)
Purpose:	The Headquarters Relocation Tax Credit was established to incentivize the relocation of corporate headquarters to Indiana. Qualifying projects must involve the relocation of the principal offices of a company's principal executive officers. The credit amount is equal to 50% of a company's qualifying relocation costs.

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Detail: There were no headquarters relocation tax credit applications received or approved through the IEDC during the reporting period.

Program: Enterprise Zone Loan Interest Credit (IC 6-3.1-7)

Purpose: The Enterprise Zone Loan Interest Credit is intended to promote access to capital for businesses located in an Enterprise Zone by providing a tax credit to financial institutions making loans to zone businesses. The credit amount is equal to 5% of the interest the financial institution receives in conjunction with loans made to zone businesses. Financial institutions are not required to be located in an Enterprise Zone in order to receive the credit. The Indiana Code does not require financial institutions to apply to the IEDC for approval nor does it require the entity making or receiving a qualified loan to report to the IEDC regarding new job creation or capital investment associated with the qualified loan.

Detail: As mentioned above, the Indiana Code does not require financial institution to apply to the IEDC in order to claim the tax credit. Rather, companies are required to notify the IEDC on an annual basis regarding the total amount of credits claimed under this program. In calendar year 2006 (the most recent period available), \$2,633,380 in tax credits were claimed under the Enterprise Zone Loan Interest Credit Tax Credit program. None of these credits were applied for or awarded during the period covered in this report. Therefore, this amount is not included in the total tax credits applied for and awarded during this reporting period.

Total Tax Credits Applied For And Awarded: \$1,390,000.00

Grant Programs

Program: Skills Enhancement Fund (IC 5-28-7)

Purpose: The Skills Enhancement Fund ("SEF") supports the training of Indiana's workforce by providing reimbursement for a company's eligible training costs. SEF awards are made over a two year period and are limited to 50% of a company's eligible training expenses.

Detail: As of the filing of this report, all companies receiving SEF awards were in compliance with reporting requirements outlined in the SEF agreements.

Flanders Electric Motor Service, Inc.	Grant Amount:	\$66,400.00
8101 Baumgart Road	Employees To Be Hired:	16
Evansville	Employees To Be Retained:	256
47725	Employees To Be Trained:	188

Mittal Steel USA, d/b/a Indiana Harbor East	Grant Amount:	\$200,000.00
Flat Products	Employees To Be Hired:	0
3210 Watling	Employees To Be Retained:	3,332
East Chicago	Employees To Be Trained:	1,614
46312		

Wabash Plastics, Inc.	Grant Amount:	\$107,000.00
1300 Burch Drive	Employees To Be Hired:	10
Evansville	Employees To Be Retained:	246
47725	Employees To Be Trained:	200

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Gecom Corporation 1025 Barachel Lane Greensburg 47240	Grant Amount: Employees To Be Hired: Employees To Be Retained: Employees To Be Trained:	\$2,600.00 50 1,424 1,304
Allegheny Ludlum Corporation 516 W State Route 38 New Castle 47362	Grant Amount: Employees To Be Hired: Employees To Be Retained: Employees To Be Trained:	\$72,000.00 0 143 131
United Technologies Electronic Controls, Inc. 3650 W 200 N Huntington 46750	Grant Amount: Employees To Be Hired: Employees To Be Retained: Employees To Be Trained:	\$154,000.00 45 770 608
Knauf Insulation GmbH One Knauf Drive Shelbyville 46176	Grant Amount: Employees To Be Hired: Employees To Be Retained: Employees To Be Trained:	\$113,750.00 25 498 250
Hoosier Tank and Manufacturing Incorporated 1710 Sheridan Street South Bend 46628	Grant Amount: Employees To Be Hired: Employees To Be Retained: Employees To Be Trained:	\$26,500.00 11 77 85
Gartland Foundry Company 330 Grant Street Terre Haute 47802	Grant Amount: Employees To Be Hired: Employees To Be Retained: Employees To Be Trained:	\$41,500.00 10 107 117
Remy, Inc. 2902 Enterprise Drive Anderson 46013	Grant Amount: Employees To Be Hired: Employees To Be Retained: Employees To Be Trained:	\$18,500.00 0 331 53
D C Current, Inc. 315 N. Liberty Street, P.O. Box 37 Bremen 46506	Grant Amount: Employees To Be Hired: Employees To Be Retained: Employees To Be Trained:	\$46,500.00 8 83 30
Standard Locknut, LLC 1045 East 169th Street Westfield 46074	Grant Amount: Employees To Be Hired: Employees To Be Retained: Employees To Be Trained:	\$50,000.00 10 169 165

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B & B Manufacturing, Inc.	Grant Amount:	\$22,000.00
1712 Genesis Drive	Employees To Be Hired:	5
LaPorte	Employees To Be Retained:	65
46350	Employees To Be Trained:	49

Mursix Corporation and TFX Plating Company LLC	Grant Amount:	\$48,175.00
4620 W. Bethel Avenue	Employees To Be Hired:	9
Muncie	Employees To Be Retained:	148
47304	Employees To Be Trained:	111

Pactiv Corporation	Grant Amount:	\$26,000.00
9702 West US Highway 30	Employees To Be Hired:	9
Wanatah	Employees To Be Retained:	48
46390	Employees To Be Trained:	57

Reflex Industries, Inc.	Grant Amount:	\$70,000.00
23290 Cooper Drive	Employees To Be Hired:	50
Elkhart	Employees To Be Retained:	94
46514	Employees To Be Trained:	139

Guardian Automotive Products, Inc.	Grant Amount:	\$122,000.00
860 W US 6	Employees To Be Hired:	10
Ligonier	Employees To Be Retained:	279
46767	Employees To Be Trained:	270

Subtotal:	\$1,186,925.00
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Program: Indiana Specific Insurance Related Education (IC 5-28-7)

Purpose: The Indiana Specific Insurance Related Education ("INSPIRE") Training Program provides reimbursement for companies incurring eligible training costs associated with obtaining insurance industry designations and certifications for their employees.

Detail: Pursuant to the terms of the INSPIRE agreement, the first progress report for the company covered during this reporting period was not yet due as of the time of the submission of this report.

Trahin Miller Insurance Services, Inc.	Grant Amount:	\$640.00
9449 Priority Way West Drive, #110	Employees To Be Hired:	0
Indianapolis	Employees To Be Retained:	7
46240	Employees To Be Trained:	3

Program: Industrial Development Grant Fund (IC 5-28-25)

Purpose: The Industrial Development Grant Fund ("IDGF") provides assistance to communities making infrastructure investments in support of economic development opportunities.

Detail: There were no industrial development grants applied for and awarded during the reporting period.

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Program:	Economic Development Fund (IC 5-28-8)
Purpose:	The Economic Development Fund ("EDF") is a revolving fund to provide grants and loans for economic development activities. Entities eligible to receive EDF awards include the state, a political subdivision of the state, an agency of the state or a political subdivision of the state, a nonprofit corporation, or the Indiana Finance Authority. Eligible uses of EDF awards include public works, technical assistance, economic adjustment assistance, and other qualifying economic development programs.
Detail:	There were no Economic Development Fund grants applied for and awarded during the reporting period.
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Program:	Technology Enhancement Certification For Hoosiers (IC 5-28-7)
Purpose:	The Technology Enhancement Certification for Hoosiers ("TECH") Fund provides reimbursement for costs associated with a company's information technology professionals earning recognized information technology certifications in areas including systems administration, systems engineering, and software development.
Detail:	There were no technology enhancement certification for hoosiers grants applied for and awarded during the reporting period.
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Program:	Technology Development Grant Fund (IC 5-28-10)
Purpose:	The Technology Development Grant Fund ("TDGF") provides assistance to communities in which a Certified Technology Park has been established. TDGF awards may be used to offset capital or operating expenditures and must be used within the boundaries and in support of a community's Certified Technology Park.
Detail:	There were no technology development grants applied for and awarded during the reporting period.
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Program:	South Central Indiana Regional Partnership (IC 4-33-12-6)
Purpose:	IC 4-33-12-6 directs that 25% of the admissions taxes from the Orange County casino be allocated to the IEDC. These funds must be utilized for the development and implementation of a strategic plan for economic development for Orange County and its five contiguous counties. This program does not have a statutory requirement for job creation or capital investment. During the period covered in this report, the IEDC provided grants to enhance the services of Local Economic Development Organizations in the six county region, build educational capacity in the region by supporting schools participating in Project Lead the Way, and leverage local and academic sector resources to establish a Purdue Technical Assistance Program office serving the region.

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Detail:

Admin- Lawrence County Economic Growth Council 1116 16th St Bedford 47421	Grant Amount:	\$35,000.00
Admin- Washington County Economic Growth Partnership 1707 N. Shelby St Salem 47167	Grant Amount:	\$35,000.00
Admin- Crawford County Economic Development Com. 6225 E. Industrial Ln Leavenworth 47137	Grant Amount:	\$35,000.00
Admin- Dubois County Area Development Corporation 1103 Main St Jasper 47546	Grant Amount:	\$35,000.00
Admin- Martin County Redevelopment Cmsn PO Box 600 Shoals 47581	Grant Amount:	\$35,000.00
Admin- Orange County Economic Development Partnership 216 W. Court St Paoli 47454	Grant Amount:	\$35,000.00
Project Lead The Way - Southwest Dubois County School Corporation 1113 N Jackson Huntingburg 47542	Grant Amount:	\$10,000.00
Project Lead The Way - Loogootee Community School Corporation PO Box 282 Loogootee 47553	Grant Amount:	\$10,000.00

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Technical Assistance Program (TAP) - Purdue University 1435 Win Hentschel Blvd W Lafayette 47906-4154	Grant Amount:	\$150,000.00
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Steward- Orange County Economic Development Partnership 216 W. Court St Paoli 47454	Grant Amount:	\$13,800.00
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Subtotal:	<u>\$393,800.00</u>
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Program: Indiana Twenty-First Century Research and Technology Fund (IC 5-28-16)

Purpose: The Twenty-First Century Fund provides grants to companies engaged in the commercialization of innovative new technologies and creating high wage technology based jobs in Indiana. Although companies do provide estimates of their anticipated job creation as part of the application process, program compliance is based on technology development benchmarks rather than job creation.

Detail:

Merrick Healthcare Solutions, LLC 9800 Connecticut Drive, Suite A1-600 Crown Point 46307	Grant Amount:	\$2,000,000.00
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Program: Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) Match Programs (IC 5-28-16)

Purpose: The Twenty-First Century Fund provides matching grants of up to \$100,000 to companies receiving Phase I SBIR/STTR awards and up to \$350,000 to recipients of Phase II SBIR/STTR awards. The purpose of grants awarded under this section is to leverage federal dollars and accelerate the development of innovative new technologies. Funds must be used towards the development of technology supported through the SBIR/STTR award. This program does not have a statutory job creation requirement.

Detail:

MNB Technologies 501 N. Morton St, Ste 106AB2 Bloomington 47404	Grant Amount:	\$79,578.05
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Vyante 1167 Ivy Lane Indianapolis 46220	Grant Amount:	\$100,000.00
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Molecular Kinetics 6201 La Pas Trail Suite 160 Indianapolis 46268	Grant Amount:	\$100,000.00
GH, LLC 1305 Cumberland Avenue W. Lafayette 47906	Grant Amount:	\$100,000.00
PC Krause & Associates 1220 Potter Drive W. Lafayette 47906	Grant Amount:	\$69,970.00
Mudawar Thermal Systems, Inc. 1291 Cumberland Avenue Bloomington 47906	Grant Amount:	\$69,980.00
Information In Place, Inc. 501 North Morton St., Suite 206 W. Lafayette 47404	Grant Amount:	\$100,000.00
Akina, Inc. 1291 Cumberland Avenue W. Lafayette 47906	Grant Amount:	\$100,000.00
Yinnel Tech, Inc 3702 West Sample Street South Bend 46619	Grant Amount:	\$99,753.00
Agri Processing 1436 E Beacon Way Carmel 46032	Grant Amount:	\$79,219.00

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Predictive Physiology and Medicine, Inc. 501 N. Morton Street Bloomington 47404	Grant Amount:	\$100,000.00
Adiabatics, Inc. 3385 Commerce Drive Columbus 47201	Grant Amount:	\$99,756.00
PartTec, Ltd. 320 W. 8th Street, Ste 101 Bloomington 47404	Grant Amount:	\$100,000.00
PartTec, Ltd. 320 W. 8th Street, Ste 101 Bloomington 47404	Grant Amount:	\$100,000.00
Advanced Science and Automation Corp 9714 Oakhaven Ct. Indianapolis 46256	Grant Amount:	\$100,000.00
Shot 7200 Highway 150 Greenville 47124	Grant Amount:	\$99,982.00
VitaCyte, LLC 1102 Indiana Avenue Indianapolis 46202	Grant Amount:	\$100,000.00
PC Krause & Associates Hentschel Center Ste 130D; 1220 Potter Dr. W. Lafayette 47906	Grant Amount:	\$29,973.00
Omega Wireless Solutions 3000 Kent Ave, Suite D1-106 W. Lafayette 47906	Grant Amount:	\$20,030.00

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SHOT 7200 Highway 150 Greenville 47124	Grant Amount:	\$29,995.00
Indiana Nanotech, LLC 351 W. 10th Street, Suite 222 Indianapolis 46202	Grant Amount:	\$100,000.00
PowerHouse Proteomic Systems, LLC 1623 Cataline Way Zionsville 46077	Grant Amount:	\$100,000.00
MNB Technologies 501 N. Morton Street Bloomington 47404	Grant Amount:	\$99,958.49
Criterion Health 6321 Tanglewood Road Terre Haute 47802	Grant Amount:	\$99,942.00
Microtech, Inc 8831 Log Run Drive Indianapolis 46234	Grant Amount:	\$100,000.00
Computelligence, LLC 212 West 10th Street, Suite B315 Indianapolis 46202	Grant Amount:	\$99,710.00
Quadraspec, Inc 3000 Kent Avenue W. Lafayette 47906	Grant Amount:	\$100,000.00
Gabriel Interactive, Inc. 407 N. Fulton Avenue, Suite 301 Indianapolis 46202	Grant Amount:	\$25,000.00

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Wolf Technical 6836 Hawthorn Park Drive Indianapolis 46220	Grant Amount:	\$296,460.00
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Imaginistics 1801 Kalberer Road, Suite A100 W. Lafayette 47906	Grant Amount:	\$100,000.00
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Subtotal:	<hr/>	\$2,799,306.54
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Total Grants Applied For And Awarded:		\$6,380,671.54
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